

matters concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 and matters relating to Executive Order No. 12613. Matters relating to the March 15, 1995, Executive Order regarding a ban on investment in the petroleum sector, and the May 6, 1995, Executive Order regarding new trade sanctions, will be covered in separate reports. My last report, dated November 18, 1994, covered events through October 18, 1994.

1. There have been no amendments to the Iranian Transactions Regulations, 31 CFR Part 560, or to the Iranian Assets Control Regulations, 31 CFR Part 535, since the last report.

2. The Office of Foreign Assets Control ("OFAC") of the Department of the Treasury continues to process applications for import licenses under the Iranian Transactions Regulations. However, a substantial majority of such applications are determined to be ineligible for licensing and, consequently, are denied.

During the reporting period, the U.S. Customs Service has continued to effect numerous seizures of Iranian-origin merchandise, primarily carpets, for violation of the import prohibitions of the Iranian Transactions Regulations. OFAC and Customs Service investigations of these violations have resulted in forfeiture actions and the imposition of civil monetary penalties. Additional forfeiture and civil penalty actions are under review.

3. The Iran-United States Claims Tribunal (the "Tribunal"), established at The Hague pursuant to the Algiers Accords, continues to make progress in arbitrating the claims before it. However, since my last report, the Tribunal has not rendered any awards although payments were received by claimants in late November for awards rendered during the prior reporting period. Thus, the total number of awards remains at 557. Of this total, 373 have been awards in favor of American claimants. Two hundred twenty-five (225) of these were awards on agreed terms, authorizing and approving payment of settlements negotiated by the parties, and 150 were decisions adjudicated on the merits. The Tribunal has issued 38 decisions dismissing claims on the merits and 85 decisions dismissing claims for jurisdictional reasons. Of the 59 remaining awards, three approved the withdrawal of cases and 56 were in favor of Iranian claimants. As of April 18, 1995, the Federal Reserve Bank of New York reported that the value of awards to successful American claimants from the Security Account held by the NV Settlement Bank stood at \$2,365,160,410.39.

Iran has not replenished the Security Account since October 8, 1992, and the Account has remained continuously below the balance of \$500 million required by the Algiers Accords since November 5, 1992. As of April 10, 1995, the total amount in the Security Account was \$191,219,759.23, and the total

amount in the Interest Account was \$24,959,218.79.

The United States continues to pursue Case A/28, filed in September 1993, to require Iran to meet its obligations under the Algiers Accords to replenish the Security Account. Iran has yet to file its Statement of Defense in that case.

4. The Department of State continues to present United States Government claims against Iran, in coordination with concerned government agencies, and to respond to claims brought against the United States by Iran.

On April 18, 1995, the United States filed the first of two parts of its consolidated submission on the merits in Case B/61. Case B/61 involves a claim by Iran for compensation with respect to primarily military equipment that Iran alleges it did not receive. The equipment was purchased pursuant to commercial contracts with more than 50 private American companies. Iran alleges that it suffered direct losses and consequential damages in excess of \$2 billion in total because of the U.S. Government's refusal to allow the export of the equipment after January 19, 1981, in alleged contravention of the Algiers Accords. As directed by the Tribunal, the United States' submission addresses Iran's claims regarding both liability and compensation and damages.

5. The Foreign Claims Settlement Commission ("FCSC") on February 24, 1995, successfully completed its case-by-case review of the more than 3,000 so-called "small claims" against Iran arising out of the 1979 Islamic revolution. These "small claims" (of \$250,000 or less each) were originally filed before the Iran-United States Claims Tribunal, but were transferred to the FCSC pursuant to the May 13, 1990 Settlement Agreement between Iran and the United States.

The FCSC issued decisions on 3,066 claims for total awards of \$86,555,795. Of that amount, \$41,570,936 represented awards of principal and \$44,984,859 represented awards of interest. Although originally only \$50 million were available to pay these awards, the funds earned approximately \$9 million in interest over time, for a total settlement fund of more than \$59 million. Thus, all awardees will receive full payment on the principal amounts of their awards, with interest awards paid on a pro rata basis.

The FCSC's awards to individuals and corporations covered claims for both real and personal property seized by Iran. In addition, many claims arose out of commercial transactions, including contracts for the sale of goods and contracts for the supply of services such as teaching, medical treatment, data processing, and shipping. The FCSC is now working with the Department of the Treasury to facilitate final payment on all FCSC awards.

6. The situation reviewed above continues to implicate important diplomatic, financial, and legal interests of the United States and its nationals and

presents an unusual challenge to the national security and foreign policy of the United States. The Iranian Assets Control Regulations issued pursuant to Executive Order No. 12170 continue to play an important role in structuring our relationship with Iran and in enabling the United States to implement properly the Algiers Accords. Similarly, the Iranian Transactions Regulations issued pursuant to Executive Order No. 12613 continue to advance important objectives in combating international terrorism. I shall continue to exercise the powers at my disposal to deal with these problems and will continue to report periodically to the Congress on significant developments.

WILLIAM J. CLINTON.

THE WHITE HOUSE, May 18, 1995.

REPORT UNDER THE INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT—MESSAGE FROM THE PRESIDENT—PM 50

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

On November 14, 1994, in light of the dangers of the proliferation of nuclear, biological, and chemical weapons and their means of delivery ("weapons of mass destruction"), I issued Executive Order No. 12938 and declared a national emergency under the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.).

As I described in the report transmitting Executive Order No. 12938, the new Executive order consolidated the functions of and revoked Executive Order No. 12735 of November 16, 1990, which declared a national emergency with respect to the proliferation of chemical and biological weapons, and Executive Order No. 12930 of September 29, 1994, which declared a national emergency with respect to nuclear, biological, and chemical weapons, and their means of delivery. The new Executive order also expanded certain existing authorities in order to strengthen the U.S. ability to respond to proliferation problems.

The following report is made pursuant to section 204 of the International Emergency Economic Powers Act and section 401(c) of the National Emergencies Act regarding activities taken and money spent pursuant to the emergency declaration. Additional information on nuclear, missile, and/or chemical and biological weapons (CBW) non-proliferation efforts is contained in the annual report on the proliferation of missiles and essential components of nuclear, biological, and chemical weapons, provided to the Congress pursuant to section 1097 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190), also

known as the "Nonproliferation Report," and the annual report provided to the Congress pursuant to section 308 of the Chemical and Biological Weapons Control and Warfare Elimination Act of 1991 (Public Law 102-182).

The three export control regulations issued under the Enhanced Proliferation Control Initiative (EPCI) are fully in force and continue to be used to control the export of items with potential use in chemical or biological weapons or unmanned delivery systems for weapons of mass destruction.

In the 6 months since I issued Executive Order No. 12938, the number of countries that have ratified the Chemical Weapons Convention (CWC) has reached 27 (out of 159 signatory countries). I am urging the Senate to give its advice and consent to ratification as soon as possible. The CWC is a critical element of U.S. nonproliferation policy that will significantly enhance our security and that of our friends and allies. I believe that U.S. ratification will help to encourage the ratification process in other countries and, ultimately, the CWC's entry into force.

The United States actively participates in the CWC Preparatory Commission in The Hague, the deliberative body drafting administrative and implementing procedures for the CWC. Last month, this body accepted the U.S. offer of an information management system for the future Organization for the Prohibition of Chemical Weapons that will implement the CWC. The United States also is playing a leading role in developing a training program for international inspectors.

The United States strongly supports international efforts to strengthen the 1972 Biological and Toxin Weapons Convention (BWC). In January 1995, the Ad Hoc Group mandated by the September 1994 BWC Special Conference to draft a legally binding instrument to strengthen the effectiveness and improve the implementation of the BWC held its first meeting. The Group agreed on a program of work and schedule of substantive meetings, the first of which will occur in July 1995. The United States is pressing for completion of the Ad Hoc Group's work and consideration of the legally binding instrument by the next BWC Review Conference in 1996.

The United States maintained its active participation in the 29-member Australia Group (AG), which now includes the Czech Republic, Poland, Slovakia, and Romania. The AG reaffirmed in December the members' collective belief that full adherence to the CWC and the BWC provides the only means to achieve a permanent global ban on CBW, and that all states adhering to these Conventions have an obligation to ensure that their national activities support these goals.

The AG also reiterated its conviction that harmonized AG export licensing measures are consistent with, and indeed actively support, the requirement under Article I of the CWC that States

Parties never assist, in any way, the manufacture of chemical weapons. These measures also are consistent with the undertaking in Article XI of the CWC to facilitate the fullest possible exchange of chemical materials and related information for purposes not prohibited by the Convention, as they focus solely on preventing assistance to activities banned under the CWC. Similarly, such efforts also support existing nonproliferation obligations under the BWC.

The United States Government determined that three foreign nationals (Luciano Moscatelli, Manfred Felber, and Gerhard Merz) had engaged in chemical weapons proliferation activities that required the imposition of sanctions against them, effective on November 19, 1994. Similar determinations were made against three foreign companies (Asian Ways Limited, Mainway International, and Worldco) effective on February 18, 1995, and imposed sanctions against them. Additional information on these determinations is contained in a classified report to the Congress, provided pursuant to the Chemical and Biological Weapons Control and Warfare Elimination Act of 1991. The United States Government continues to monitor closely activities that may be subject to CBW sanctions provisions.

The United States continued to control vigilantly U.S. exports that could make a contribution to unmanned delivery systems for weapons of mass destruction, exercising restraint in considering all such transfers consistent with the Guidelines of the Missile Technology Control Regime (MTCR). The MTCR Partners shared information not only with each other but with other possible supplier, consumer, and transshipment states about proliferation problems and also stressed the importance of implementing effective export control systems.

The United States initiated unilateral efforts and coordinated with MTCR Partners in multilateral efforts, aimed at combatting missile proliferation by nonmembers and at encouraging nonmembers to adopt responsible export behavior and to adhere to the MTCR Guidelines. On October 4, 1994, the United States and China signed a Joint Statement on Missile Nonproliferation in which China reiterated its 1992 commitment to the MTCR Guidelines and agreed to ban the export of ground-to-ground MTCR-class missiles. In 1995, the United States met bilaterally with Ukraine in January, and with Russia in April, to discuss missile nonproliferation and the implementation of the MTCR Guidelines. In May 1995, the United States will participate with other MTCR Partners in a regime approach to Ukraine to discuss missile nonproliferation and to share information about the MTCR.

The United States actively encouraged its MTCR Partners and fellow AG participants to adopt "catch-all" provisions, similar to that of the United

States and EPCI, for items not subject to specific export controls. Austria, Germany, Norway, and the United Kingdom actually have such provisions in place. The European Union (EU) issued a directive in 1994 calling on member countries to adopt "catch-all" controls. These controls will be implemented July 1, 1995. In line with this harmonization move, several countries, including European States that are not actually members of the EU, have adopted or are considering putting similar provisions in place.

The United States has continued to pursue this Administration's nuclear nonproliferation goals. More than 170 nations joined in the indefinite, unconditional extension of the Nuclear Nonproliferation Treaty (NPT) on May 11, 1995. This historic decision strengthens the security of all countries, nuclear weapons states and nonweapons states alike.

South Africa joined the Nuclear Suppliers Group (NSG), increasing NSG membership to 31 countries. The NSG held a plenary in Helsinki, April 5-7, 1995, which focused on membership issues and the NSG's relationship to the NPT Conference. A separate, dual-use consultation meeting agreed upon 32 changes to the dual-use list.

Pursuant to section 401(c) of the National Emergencies Act, I report that there were no expenses directly attributable to the exercise of authorities conferred by the declaration of the national emergency in Executive Order No. 12938 during the period from November 14, 1994, through May 14, 1995.

WILLIAM J. CLINTON.

THE WHITE HOUSE, May 18, 1995.

MESSAGES FROM THE HOUSE

At 1:02 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, with an amendment, in which it requests the concurrence of the Senate:

S. 219. An act to ensure economy and efficiency of Federal Government operations by establishing a moratorium on regulatory rulemaking actions, and for other purposes.

The message also announced that the House has passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 4. An act to grant the power to the President to reduce budget authority.

The message further announced that pursuant to the provisions of 22 United States Code 276d, the Speaker appoints the following Members as members of the United States delegation to attend the meeting of the Canada-United States Interparliamentary Group on the part of the House: Mr. MANZULLO, Chairman, Mr. LATHAM, Mr. CRAPO, Ms. DUNN, Mr. ZIMMER, Mrs. JOHNSON of Connecticut, Mr. GOODLING, Mr. JOHNSTON of Florida, Mr. DE LA GARZA, Mr. GIBBONS, Ms. SLAUGHTER, and Mr. McNULTY.